

2010 Legislative Investments in Education Accountability

State revenues continued to decline in FY2009-10, resulting in general fund budget reductions in September and December totaling 9.04%. In April the Board of Economic Advisors further revised downward the current and succeeding year's projected revenues by another \$60 million. Since FY2007-08 total general fund revenues have declined by \$1.3 billion. The following table, which reflects data published by the State's Chief Economist, the Office of State Budget, and the South Carolina Department of Education, highlights the impact of the recession on revenues and public education funding since FY2007-08.

Fiscal Year	Total General Fund Revenues	% Change from Previous Year	Education Finance Act	Base Student Cost**	Education Improvement Act (EIA)	Federal School District Stabilization Funds
2007-08	\$6,902,435,004	- 3.1%	\$1,506,691,472	\$2,476	\$633,243,384	
2008-09	\$6,041,464,093	-12.5%	\$1,339,202,159	\$2,191	\$517,992,255	
2009-10 *	\$5,559,909,867	-8.0%	\$1,178,410,838	\$1,765	\$532,044,107	\$184,922,339
2010-11*	\$5,561,842,570	0.0%	\$1,004,394,001	\$1,630	\$522,234,107	\$174,430,646

* Reflect General Fund and EIA estimates through April 14, 2010.

** The base student cost for Fiscal Years 2007-08 through 2009-10 reflects only General Fund appropriations to the EFA and all mid-year cuts. In Fiscal Year 2009-10 federal funds provided an additional \$300 to the base student cost. The base student cost for Fiscal Year 2010-11 is the appropriated amount.

Despite the austere economic conditions, the General Assembly accomplished the following in public education for FY2010-11:

- **Education Finance Act** – The EFA is funded at a base student cost of \$1,630 with students in the SC Public Charter School District funded at \$2,330. The index of taxpaying ability used in 2009-10 will again be used in 2010-11, and a study committee will examine the calculation of the index.
- **Child Development Education Pilot Program (CDEPP)** – CDEPP is funded at \$19.5 million in *recurring* EIA monies. The program provides full-day education services in public schools or private centers for four-year-olds who are eligible for the free or reduced price federal lunch program and/or Medicaid and who reside in the plaintiff districts of the Abbeville equity lawsuit.
- **Teacher Salaries** – The statewide minimum teacher salary schedule used in 2008-09 and in 2009-10 is again used in 2010-11; however, by joint resolution (H.4838, R.247) a school district board of trustees may suspend step increases. The actual average teacher salary in SC in 2008-09 was \$47,421. The projected Southeastern average teacher salary for 2010-11 is \$48,725. Teachers who received or applied for National Board certification or recertification prior to July 1, 2010 will continue to receive a \$7,500 supplement upon earning National Board certification while teachers applying for National Board certification after July 1, 2010 will receive a \$5,000 supplement upon certification for one ten-year period (Act 201). Applications are limited to 900 annually, and loans for future applications will no longer be paid by the State.
- **Reading** – While the EIA appropriation for reading remained unchanged at \$6.5 million, the allocation formula is amended to increase the percentage of funds going to school districts from 25% to 50%. The changes will focus resources on early reading and writing skills and will require evaluations to measure impact on student achievement. Existing funds are also redirected to determine the effectiveness of strategies to teach reading.
- **Consolidation** - Three EIA line items (Principal Salary Supplement, Middle School Initiative and Credits for High School Diploma) consolidated and moved to the General Fund for distribution to districts based on the number of weighted pupil units. In addition EIA and General Fund appropriations for adult education and young adult education consolidated into one line item in the EIA, with at least 30% of the funds allocated to young adult education, students between the ages of 17 and 21 enrolled in programs leading to a high school diploma, GED, or career readiness certificate. The consolidations continue actions taken last year by the legislature to streamline education funding.
- **Lottery and unclaimed prize revenues** – Funding for Reading, Math, Science and Social Studies Program is maintained at the current year's level of \$47.6 million for grades K-5 and \$2.0 million for grades 6-8.
- **Flexibility** - Joint resolutions H.4299 (R.199) and H.4823 (R.205) and budget provisos gave greater flexibility and diverted funds to districts accordingly: reduced the assessment of writing to one grade, 5th, in elementary and one grade, 8th, in middle schools; suspended the adoption of new textbooks; suspended the printing of

district and school report cards with schools instead notifying and emailing parents a link to the district and school report cards; and suspended the Palmetto Gold and Silver Program. With these changes, funds were redirected to the EFA, teacher supplies, and other programs as shown on the following table. Information on EAA funding since 1998 can be found on the EOC website at www.eoc.sc.gov.

EDUCATION ACCOUNTABILITY ACT APPROPRIATIONS SINCE FY08 *

EAA ITEM	FY08	FY09	FY10	FY11	Estimate of Funds Reallocated to: EFA, Teacher Supplies or Other **
Technical Assistance	81,102,688	76,380,078	60,430,445	57,430,445	
External Review	1,372,000	1,292,108	1,019,880		
Assessment	24,491,688	22,290,943	22,152,624	21,665,119	1,600,000
Formative Assessment	3,950,000	4,950,000	3,472,470	3,096,281	
Summer School/Comp Remediation	31,000,000	29,514,247			
Summer School Transportation	4,000,000	4,000,000			
Alternative Schools	11,688,777	11,008,140			
Principals Executive Institute	906,370	853,592			
Professional Development on Standards	7,000,000	6,592,390	6,515,911	6,515,911	
Palmetto Gold and Silver Awards	3,000,000	2,825,310	2,230,061	2,230,061	2,230,061
Report Card Printing & Development	971,793	915,205	722,385	722,385	180,000
Data Collection	1,638,450	1,543,043	1,217,947	1,217,947	
Unique Student Identifier	1,328,040	1,250,708	987,203	987,203	
Education Oversight Committee (EOC)	1,761,370	1,658,805	1,016,289	1,016,289	250,000
EOC Public Relations	226,592	213,398	168,438	168,438	
SCDE Personal Service ***	2,140,024	1,821,889	1,236,436	1,236,436	
SCDE Other Operating ***	273,675	1,638,815	1,174,752	1,174,752	
Students at Risk of School Failure ****			136,163,204	136,163,204	
TOTAL EAA:	\$176,851,467	\$168,748,671	\$238,508,045	\$233,624,471	
OTHER SUPPORTING PROGRAMS					
Reduce Class Size	35,047,429	33,006,617			
EOC Family Involvement	45,318	42,679	33,781	33,781	
K-5 Reading, Math, Science & Social Studies Grants	47,614,527	47,614,527	47,614,527	47,614,527	
6-8 Reading, Math, Science and Social Studies Grants	2,000,000	2,000,000	2,000,000	2,000,000	
High School Reading	2,650,000	1,000,000	911,400	729,340	
Young Adult Education (30% of adult education)	4,800,000	4,706,832	4,018,351	4,072,121	
Public Choice Innovation Schools	2,560,000				
Act 135 Academic Assistance	120,436,576	113,423,554			
Reading			6,542,052	6,542,052	
TOTAL OTHER:	\$215,153,850	\$201,794,209	\$61,120,111	\$60,991,821	
GRAND TOTAL:	\$392,005,317	\$370,542,880	\$299,628,156	\$294,616,292	\$4,260,061

* Includes all recurring and nonrecurring General Fund, Education Improvement Act (EIA) and Lottery revenues. Excludes federal funds for testing.

** "Other" refers to proviso 1A.34 that allows funds for Palmetto Gold and Silver to be reallocated to teacher salaries and fringe benefits, National Board, teacher supplies, Science PLUS, and Teaching Fellows Program.

*** By proviso the agency may expend up to 5% of appropriations for technical assistance on administration.

**** Appropriations for Act 135, Summer School, Reduce Class Size, Alternative Schools, and Parenting/Family Literacy consolidated and reallocated to one line item, Students at Risk of School Failure.

EOC STUDIES IN PROGRESS
Copies of previous work can be obtained from www.eoc.sc.gov

Standards:

Cyclical Review of the Social Studies Content Standards April 2010

Recommendations for modifying the 2005 South Carolina Social Studies Academic Standards will be considered. These recommendations were compiled under the advisement of three review teams: a national review team of social studies educators who have worked with national or other state organizations; a parent, business, and community leaders' team drawn from various geographical areas in South Carolina, and a team of educators and parents of students with disabilities.

Common Core State Standards Initiative (CCSSI) June 2010

Led by the national Governors Association Center for Best Practices and the Council of Chief State School Officers, the Common Core State Standards Initiative (CCSSI) seeks to develop a common core of state standards in English language arts and mathematics. The EOC and State Board of Education are reviewing the Common Core State Standards for alignment with South Carolina standards.

Assessments:

SC-Alt Social Studies June 2010

The EOC is reviewing the SC Alternate Test in social studies, an alternate assessment for students with significant cognitive disabilities.

Biology June 2010

Under review is the end-of-course assessment in biology.

HSAP Task Force January 2011

In collaboration with the South Carolina Department of Education, the task force will determine the utility of the HSAP exam and review alternative paths for satisfying the exit exam requirement.

Public Reporting:

High School Working Group June 2010

The group is reviewing the high school ratings criteria and will make recommendations for school ratings criteria, including how to measure post-high school success.

Potential Changes to High School and District Ratings August 2010

Based on the results of the high school working group, changes in the high school and district ratings criteria may be considered.

Annual Evaluation of SC Teacher Loan Program February 2011

The EOC will report on the progress, challenges, and impact of the SC Teacher Loan Program on recruiting teachers into the teaching profession.

Public Engagement:

SC Literacy Champions December 2010

The EOC created the South Carolina Literacy Champions Award to recognize successful service learning programs within postsecondary institutions focused on building reading skills among SC public school students in grades K-12. The deadline for applications for the 2010 Award is September 17, 2010. Support is provided by the Central Carolina Community Foundation for two awards of \$10,000 each.

Where Are We Now Report December 2010

In September of 2009 the EOC adopted a 2020 Vision Statement for South Carolina. Annually, the EOC will document progress of the state toward obtaining the Vision.

2009 School and District Ratings

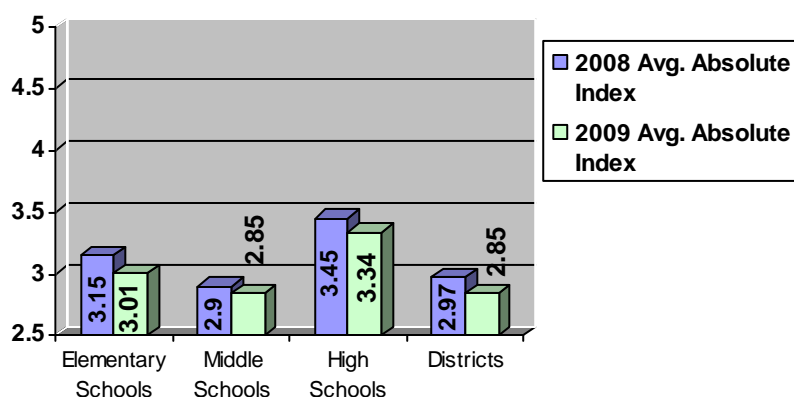
2009 Absolute Ratings	Districts (% of Districts)	Schools (% of Schools)	Students (% Enrolled in Schools by Rating)	% of Students Scoring Met or Above in Reading & Research (Elementary/Middle Schools)
Excellent	1 (1.2%)	188 (16%)	18.6%	89%
Good	0 (0.0%)	185 (16%)	18.1%	82%
Average	24 (28.2%)	536 (46%)	47.7%	73%
Below Average	39 (45.9%)	169 (15%)	10.8%	56%
At Risk	21 (24.7%)	83 (7%)	4.9%	48%

Table does not include ratings for career and technology centers or special schools. Percentages calculated using total number of schools receiving a report card in 2009 (1161 schools). Additionally, ratings were not reported for 29 schools.

STUDENT PERFORMANCE

Student performance drives the calculation of a school's index. The index determines a school's Absolute rating based upon a 5-point scale. Average student performance as measured by indexes, went down from 2008 to 2009 among elementary, middle, high schools, and school districts.

Comparisons of 2008 and 2009 indexes from schools and districts receiving ratings both years.



Poverty and Absolute Ratings

- The poverty index is defined as the percentage of students participating in the Federal free or reduced-price lunch program in the current school year and/or eligible for Medicaid at any time in the past three years.
- Only 55 schools (5%) serve a population of 30% poverty or less.
- Of schools that had poverty indexes in 2008 and 2009, 72.8% had an increase in the poverty index in 2009.
- Over half (58%) of all schools have at least 70% of their students living in poverty in 2009. This percentage increased from 2008 when 56% of schools were affected. In 2005, 50% of schools served at least 70% of students in poverty.
- Almost one-quarter of schools (24.0 %) serve a population in very high poverty (90% or more).

2009 Absolute Rating of School	2009 Average Poverty Index
Excellent	47.7%
Good	62.8%
Average	74.4%
Below Average	90.2%
At-Risk	93.9%

Growth Ratings

2009 Growth Rating of School	Schools (% of Schools)	2009 Average Poverty Index
Excellent	110 (10%)	51.5%
Good	200 (17%)	61.9%
Average	535 (46%)	75.0%
Below Average	161 (14%)	78.8%
At Risk	148 (13%)	81.8%

Table does not include Growth ratings for career and technology centers or special schools. Percentages calculated using total number of schools receiving a report card in 2009 (1154 schools). Additionally, Growth ratings were not reported for 36 schools.

Preparing for the Future Today

2020 VISION

By 2020 all students will graduate with the knowledge and skills necessary to compete successfully in the global economy, participate in a democratic society and contribute positively as members of families and communities.

Reading Proficiency:

95 % of students scoring on grade level at grades 3 and 8 and scoring Basic and above on NAEP at grades 4 and 8, eliminating the achievement gaps.

High School Graduation

88.3 % of students will graduate on-time (NGA/USED) and 95 % of young people 21 and over will earn a diploma, GED or SBE-approved occupational certificate for students with severe disabilities. Achievement gaps will be eliminated.

Preparedness for Post-High School Success

85 % of graduates will perform at levels for admission to postsecondary education and/or be employed. A measure of workforce readiness will be developed. Achievement gaps will be eliminated

Schools At Risk

There will be no school in this category.

Reading Measure	2009 Actual	Reading Measure:	2009 Actual
PASS, grade 3	78	NAEP, grade 4	62
Target: African American	67.1	Target: African American	53
Hispanic	67.8	Hispanic	49
White	86.5	White	74
Non-Subsidized	89.8	Non-Subsidized	77
Subsidized Meals	69.0	Subsidized Meals	49
With disabilities	48.4	With disabilities	34
Without disabilities	81.8	Without disabilities	65
PASS, grade 8	67.5	NAEP, grade 8	69
Target: African American	53.8	Target: African American	52
Hispanic	60.6	Hispanic	70
White	79.0	White	79
Non-Subsidized	81.9	Non-Subsidized	81
Subsidized Meals	56.7	Subsidized Meals	56
With disabilities	25.3	With disabilities	34
Without disabilities	74.8	Without disabilities	71
	2009 Actual	To be developed: Workforce readiness measure, cumulative credential rate for young people by age 21	
On-time Graduation Rate	73.7		
Target: African American	69.1		
Hispanic	68.3		
White	77.1		
Non-Subsidized	80.2		
Subsidized Meals	65.2		
With disabilities	42.9		
Without disabilities	77.3		